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CONTRIBUTIONS BY ORGANIZATIONS OF THE UNITED NATIONS SYSTEM

REPORT ON IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LEAST DEVELOPED COUNTRIES FOR THE 1990s

Contribution by the International Labour Organization \*/

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## INTERNATIONAL LABOUR ORGANIZATION

# REPORT ON IMPLEMENTATION OF THE PROGRAMME OF ACTION FOR THE LDCS FOR THE 1990's - ILO

 This paper provides some information about ILO's operational programmes in support of LDCs for the Mid term Global review of the Programme of Action, due to take place in New York in September 1995.

#### A. The Policy Framework

Nations Conference on the LDCs, held in Paris in September 1990, ILO's response to the needs of the LDCs is being regularly monitored by a Standing Committee of the Governing Body of the Organization on technical cooperation. The review is based on a report prepared by the Office on the overall performance of the programme, including operational activities involving LDCs. In 1993 when the General Conference of the ILO undertook a comprehensive review of the Role of the ILO Technical Cooperation it specifically referred to the Plan of Action adopted in Paris in 1990, and instructed the Office to take special measures in favour of LDCs and sub-Saharan Africa, where most LDCs are located. A great deal of the provisions contained in a General Conference Resolution adopted in 1984 concerning the Strengthening of Action for the Least Developed Countries are still relevant and continue to guide the activities of the Organization. A year later, in 1985 the Conference adopted a specific resolution concerning the most urgent problems of Africa and particularly food security. Finally, a recent (November 1994) debate by the Governing Body of the ILO concerning the strategy of the ILO in technical cooperation which it ultimately endorsed, also urged the Office to pay special attention to the challenges it faces in assisting its Member states in sub-Saharan Africa.

#### B. Review of Recent Activities

3. Year-to-year comparison of the expenditure incurred by the ILO in favour of LDCs although limited to a quantitative appreciation of the support, nonetheless demonstrates that the funding of operational activities in LDCs tends to show stability and hovers around one third of the total expenditure in any one year. In 1994, 35 million dollars, out of a total of over 113 million dollars were spent in favour of LDCs. As may be seen in the attached table, for the years 1992-94, the yearly expenditure has declined whilst the overall share remains stable. The decline itself is due to a variety of factors affecting the entire UN aid system and spearheaded by a growing assumption of responsibilities by the developing countries themselves for the entire process of conceiving, managing and administering operational activities (national execution), which tends to diminish the

administrative, financial role of specialized agencies while not necessarily their substantive, technical contribution. At the same time the expenditure level in Africa alone is nearly half the total yearly expenditure. In Asia the scale of ILO operational activities in the LDCs is also among the highest in the region. Some of the largest programmes of the ILO in that region are in Bangladesh, Cambodia and Nepal. The financial data in the statistics do not capture the substantial support provided to LDCs under many regional or inter-country projects which cover LDCs as well as other countries in a region. Mention may be made in Asia of the Asian-Pacific programme on occupational safety and health, the ILO/Japan programme on employment promotion and the country programmes under the International Programme for Elimination of Child Labour (IPEC). In Africa, the single largest ILO programme, ACOPAM, covering Sahelian countries focuses on activities which link food aid to sustainable development, the Improve Your Business/Start Your Business programme for strengthening entrepreneurship development is active in a large number of both African and Asian LDCs.

- 4. The support to LDCs in the substantive areas of ILO's mandate is difficult to capture in general terms given the heterogeneity and diversity of the socio-economic situations of LDCs within and between regions. Whilst it might be said that, generally, a fair number of LDCs required support to institution-building and institution-strengthening the background in each case is different and no ready-made recipes could be applied. Certain ILO programmes, labour intensive employment promotion, for instance, have been extremely useful in the sub-Saharan context where widespread poverty, unemployment and underemployment are particularly acute and the need to devise employment creation schemes, based on participatory approaches is sharply felt. With this in mind a regional network on capacity building for employment promotion was launched in Africa, since 1992, with the aim of creating and supporting national focal points in member States which can carry out employment policy analysis and planning activities and facilitate the exchange of employment planning experiences between African countries.
- 5. The main thrust of ILO action during the past few years focused on human resource development, employment promotion, reinforcing the performance of enterprises in the framework of renewed support to the growth of the private sector, support to vulnerable groups (i.e. women, rural poor, handicapped) and, increasingly, on supporting transition from authoritarian to democratic rule. This is not an exhaustive list since the diversity of the LDC community, as noted above, resulted in a far wider spread of ILO's technical programmes, in response to the diversity of requests. Increasingly, ILO support requires a multidisciplinary strategy and hence involves several technical services drawn from headquarters and the field structure and lately a growing number of national experts. Action designed to enhance the employability of people, for instance, is thus delivered

through a basket of services comprising vocational training, exposure to small-scale enterprise development, enhancement of managerial skills, financial management. This, for instance, was the case of some LDCs in Africa (and to a lesser extent, Asia) emerging from protracted internal armed conflict that lay bare their human and institutional infrastructure. Operational activities in support of the reintegration into civilian life of demobilized ex-combatants, refugees/returnees and displaced persons grew in intensity and have led to the creation, within ILO of institutional capacity to address such situations. The overall objective is to link short-term relief assistance to medium- and long-term development. ILO has been particularly involved in activities for the reintegration through training and employment of demobilized soldiers, refugees and displaced persons, notably in Cambodia, Mozambique, Angola and other LDCs emerging from civil war.

- 6. In the current Biennium, 1994/95, an inter-departmental project relating to the informal sector addresses the plight of marginalised working people in many swelling cities of African and Asian LDCs. In 1991 the Conference of the ILO debated a Report prepared by the Director General entitled The Dilemma of the Informal Sector, which reviewed the global conceptual and operational challenges facing the informal sector. The project, involving a number of technical services, aims at increasing the productivity of informal sector activities, improving technology and access to credit, markets, institutions and services; providing basic social protection, and improving conditions of work. The new thrust of ILO activities focusing on multidisciplinarity and its impact on the Organization's support to LDCs in the recent past is briefly explained later on.
- 7. Special efforts have been deployed to respond to the needs of the "social partners": workers' and employers' organizations as well as other NGOs and participatory groups and associations; such as cooperatives, women's action groups, rural organizations and indigenous groups. Tripartism, the fundamental feature of the ILO, "is indeed a precious institution, but is only as valuable as it is effective." ("Defending values, promoting change", report of the Director General to the 81" Session of the ILO Conference). These social organizations are increasingly associated with the formulation of national plans and priorities. The recently concluded Social Summit in Copenhagen has even provided further proof how valuable such agencies can be at international level as well in view of the issues of poverty and social exclusion which are debated. The Office has been extremely concerned about drawing the social partners and other NGOs into the forefront of operational activities and to this effect reinforced its operational support designed to empower those voluntarily and democratically constituted organizations to play a useful, visible and substantial role in the development process. In many LDCs the organizational and financial weakness of the social partners formed the basis of direct ILO support to these organizations ranging from teaching of basic human

rights conventions (i.e. freedom of association, collective bargaining) to more complex subjects such as strategies to mitigate the social impact of structural adjustment programmes, providing services to budding employer organizations (i.e. research, statistics, labour laws).

### C. LDCs in the Framework of the Active Partnership Policy

- 8. Following internal debate and consultation and the endorsement of the Active Partnership by the policy organs of the ILO in 1993, the new policy, designed to bring the ILO closer to its constituents and their preoccupations was set in motion. It led to the creation of 14 sub-regional multidisciplinary advisory teams, located throughout the developing regions with Africa alone having five such teams: in Abidjan, Addis Ababa, Cairo, Dakar and Harare. The teams assist in the definition and formulation, in close consultation with ILO's constituents, of Country Objectives supplemented by action plans for the implementation of which financing is sought from the ILO, its financial partners and, where appropriate, from the constituents themselves. Countries are thus able to promote a coherent national programme in areas they consider vital for their development as opposed to a number of scattered activities, often reflecting the mere availability of funds.
- 9. A decisive factor in implementing the new policy was retaining as much flexibility as was possible in order not to impose on a developing country (LDC or not) approaches agreed to at global debates but failing to recognise the specificity and the capacity of individual LDCs to adhere to. Many LDCs have indeed sought, and continue to do so, from the ILO "conventional" external support: not only in terms of creating an enabling environment, mostly through "upstream" policy, sector and sub-sector advice, but also in terms of providing expertise, training opportunities, a certain dose of equipment and generally manage the overall scheme or project.
- 10. The APP described above has already had a visible impact in the sense that it refocused ILO's programmes on areas central to ILO's mandate and thus provided ILO's constituents with greater opportunity to determine the amount, type and scope of support they wish to obtain from the ILO. It has by the same token, introduced new mechanisms of consultation resulting in genuinely demand-driven programmes deriving from ILO's tripartite structure and mandate and making full use of its comparative advantage. The teams are also well tooled to foster TCDC approaches, twinning and net-working where it is perceived that these will empower the "recipients" to acquire confidence and self-reliance. Such initiatives have been developed in such areas as management development, cooperatives and occupational safety and health to mention but a few.

- 11. The International Training Centre of the ILO, in Turin, has over the years intensified its training and advisory services to a large number of LDCs focusing on enhancing national capacity. A most recent example concerns support in elaborating the Country Strategy Note (for Mauritania), pursuant upon General Assembly Resolution 47/199 which introduced the concept. Other activities, some of which are taking place in the country itself (i.e. Maldives) concern strengthening of the country's national capacity to execute externally-funded aid programmes.
- 12. The three major substantive objectives of the ILO in recent years, namely promoting the advance of democracy, the fight against poverty and the protection of working people are widely recognized as objectives relevant to the current preoccupation of LDCs. Resources for ILO's activities are made available by the UN System, the multibilateral partners, the development banks and from ILO's own Regular Budget. Although these resources are limited, they enable the Organization to adapt its response to the unique situation it encounters in each LDC.

Expenditure by geographical region and by source of funding ILO technical cooperation activities in the LDCs, 1992-94:

(excluding administrative expenditure) (in \$'000)

	UNDP			ILO regular budget	lget		Multi-bi and trust funds	ust funds		UNFPA			TOTAL		
	1992	1993	1994	1992	1993	1994	1992	1993	1994	1992	1993	1994	1992	1993	1994
Africa	24 870	18 035	12 639	528	685	761	13 459	10 110	909 6	3 527	3 210	2 791	42 385	32 041	25 798
Latin America and the Caribbean	710	1	0	0	0	0	ਲ	0	0	0	0	0	744	7	0
Asia and the Pacific	8 079	13 305	7 718	157	\$	23	1 401	1 535	1 587	45	51	37	9 683	14 986	9 406
Arab States, Middle East	498	124	26	33	19	9	0	35	0	0	0	0	537	178	32
Total	34 157	31 471	20 383	725	799	831	14 895	11 680	11 193	3 573	3 261	2 828	53 349	47 212	35 236
ILO global expenditure	75 818	58 661	38 522	13 790	18 372	9 294	64 831	63 319	58 548	9 112	8 318	7 267	163 550	148 670	113 631
Share of LDCs (%)	45.1	53.6	52.9	5.3	4.3	8.9	23.0	18.4	19.1	39.2	39.2	38.9	32.6	31.8	31.0
The least developed countries in each region are as follows:	region are as f	ollows:													

Benin, Botswana, Burkina Faso, Burundi, Cape Verde, Central African Republic, Chad, Comoros, Djibouti, Equatorial Guinea, Ethiopia, Guinea, Guinea, Bissau, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Sao Tome and Principe, Sierra Leone, Somalia, Sudan, Togo, United Republic of Tanzania, Uganda, Zaire and Zambia. Africa:

Latin America and the Caribbean:

Afghanistan, Bangladesh, Bhutan, Cambodia, Kiribati, Lao People's Democratic Republic, Maldives, Myanmar, Nepal, Samoa, Solomon Islands, Tuvalu and Vanuatu.

Arab States, Middle East: Asia and the Pacific: